

BY-LAWS

of

COMMUNITY DEVELOPMENT FOUNDATION

ARTICLE I.

NAME AND OFFICES

- Section 1.1 Name. The name of the organization shall be Community Development Foundation Inc. (the "Corporation").
- Section 1.2 Purpose: The Corporation is a 501(c)(6) organization established in 1948 for the purpose of improving the quality of the region through its community and economic development partnerships and efforts.
- Section 1.3 Principal Office. The principal office of the Corporation shall be located at 398 East Main St., CDF Center, Tupelo, Mississippi 38804.
- Section 1.4 Additional Offices. The Corporation may also have offices at such other places, either within or without the State of Mississippi, as the board of directors may from time to time deem appropriate.

ARTICLE II.

MEMBERSHIP

- Section 2.1 Membership. Membership in the Corporation shall be held by such persons, corporations, associations, partnerships and other organizations as may be admitted to membership by the Board of Directors (herein sometimes "the Board").
- Section 2.2 Voting Members. All members, other than honorary members, shall be voting members of the Corporation. Voting members shall be the individuals and member firms admitted to membership pursuant to procedures established by the Board. Each member firm may designate one individual as its representative for purposes of voting on behalf of such member firm. All voting members shall have the right to vote and receive notices of meetings of members.
- Section 2.2.1 Additional Representatives.
- a. Businesses paying higher annual dues may be granted additional representatives, with full membership-voting rights, as set by the Board.
 - b. Names of additional representatives must be submitted to the Corporation office of recording.
 - c. Any person, firm, association or corporation holding one or more memberships shall have the right at any time to change any or all of its representatives upon written notice to

the Corporation, subject to the approval of the Board.

- Section 2.4 Honorary Members. The honorary members of the Corporation shall be the persons admitted to honorary membership by the Board for life or specified time. Honorary Membership is given to individuals who have proven exemplary leadership both to the Corporation and community. Such members shall have all the privileges of voting members except the right to vote and receive notices of meetings of members but shall be exempt from the payment of dues.
- Section 2.5 Termination of Membership. Any member may request to terminate their membership at any time but would forfeit any remaining dues and/or investment balance remaining in their membership. The Board may terminate a member's membership at any time, if determined that the member is in default of membership dues, in accordance with the Corporation membership dues policies and/or if determined that the Corporation no longer wants to be associated with the member.
- Section 2.6 Dues. The annual dues for members shall be computed in accordance with procedures established by the Corporation and approved by the Board.
- Section 2.7 Annual Meeting. The Annual Meeting of the Corporation shall be held as soon as practical after the beginning of the fiscal year. The time and place shall be fixed by the Board of Directors and notice thereof given to each member in a manner that is consistent with Section 79-11-197 of the MS Nonprofit Corporation Act. An Annual Meeting may be held by means of electronic communications technology in a fashion pursuant to which members have the opportunity to read or hear the proceedings and vote on such matters that may require such vote.
- Section 2.8 Special Meetings. Special Meetings may be called by the Chairman of the Board, the President/CEO, at the request of the Board of Directors or upon the written request of five percent (5%) members of the Corporation. Unless otherwise indicated in the notice thereof, any and all business may be transacted at any membership meetings. Notice, purpose, time and place shall be given to each member in a manner that is consistent with Section 79-11-199 of the MS Nonprofit Corporation Act. A Special Meeting may be held by means of electronic communications technology in a fashion pursuant to which members have the opportunity to read or hear the proceedings and vote on such matters that may require such vote.

ARTICLE III.

BOARD OF DIRECTORS

- Section 3.1 General Powers. The governance of the Corporation shall be vested in the Board of Directors. The business of the Corporation shall be managed by the Board of Directors, which may exercise all powers of the Corporation and perform all acts except as otherwise provided for by law, by the articles of incorporation or by these bylaws. Notwithstanding any other provision of these bylaws, no director, officer, employee, or representative of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Section 501 (c) 6 of the Internal Revenue Code, as now in force and later amended, and its regulations as they now exist or as they may be amended.

Section 3.2 Number and Term of Office. The Board of Directors shall consist of a combined minimum total of seventeen (17) Elected and Designated directors, with the exact number of directors in each class specified from time to time by resolution of the Board of Directors.

- a. Elected Directors. The Elected Directors of the Corporation shall be twelve (12) who shall be elected by the members of the Corporation. Elected Directors shall serve for staggered terms of three (3) years each, with four (4) of the elected Directors rotating off annually. Elected Directors shall have voting rights.
- b. Designated Directors. The Board of Directors shall further consist of five (5) designated Board members. Designated Directors shall have voting rights. The following shall be designated members of the Board of Directors:
 1. Chairman of the Board of Directors
 2. Chairman Elect of the Board of Directors
 3. Immediate Past Chairman of the Board of Directors
 4. President/CEO of the Corporation
 5. President of the Lee County Board of Supervisors

Despite the expiration of an Elected or Designated Director's term, such directors shall continue to serve until a successor is elected and qualified. Each new class of directors shall be qualified and shall take office at an organization meeting of the Board which shall be held upon the call of the Chair of the Board following the annual election of Directors by members.

The Board of Directors shall appoint an attorney for the Corporation for counsel that attends the Board and any other needed meetings of the Corporation.

Section 3.3 Nominations and Qualifications. The Operations Committee of the Board shall nominate candidates to the open board positions annually for acceptance by the Board and then elected by the members or as needed to fill any vacancies as described in Section 3.5 below. Members of the Corporation may submit names of potential nominees for consideration to the Operations Committee. A qualifying candidate must be a member in good standing of the Corporation and has served on one of the Corporation's committees, task forces, and/or councils. Candidates should have demonstrated a willingness to serve the community and fully support the mission of the Corporation.

Section 3.4 Election. Directors shall be elected to succeed the number of elected directors, including those appointed to fill vacancies, whose terms shall expire after the election. The members of the Corporation entitled to vote thereon shall be provided with a proxy ballot containing the names of those candidates as submitted by the Board of Directors for affirmation.

Section 3.5 Vacancies. In the case of any vacancy in the Board of Directors through death, resignation, disqualification, removal or other cause, the Operations Committee shall nominate a successor that would be approved by Board Directors to fill the unexpired Director's term.

Section 3.6 Resignation. Any director may resign by giving written notice to the President/CEO or to the Secretary. Unless specified in such notice, the resignation shall take effect upon such

delivery to the addressed officer. A resignation need not be accepted in order to become effective. Upon resignation of a Director, the remaining members of the Board of Directors shall, by majority vote, elect a person to serve the remainder of such Director's term.

- Section 3.7 Regular Meetings. Regular meetings of the Board of Directors of the Corporation shall be held each year at such times and places, as shall be determined by the Board of Directors. The board may transact any and all business that comes before it.
- Section 3.8 Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chair of the Board, the President/CEO, or by the Chair Elect of the Board. Unless otherwise indicated in the notice thereof, any and all business may be transacted at any special meeting. The corresponding Secretary shall give notice, by record, or each special meeting of the Board of Directors, at least one (1) day prior to the meeting; but such notice may be waived by any Director.
- Section 3.9 Presence at Meeting. Any one or more members of the Board of Directors or any committee thereof may participate in a regular or special meeting of the Board or committee by means of telephone conference or other electronic communications equipment pursuant to which each Director may be able to effectively participate. Participation in a meeting by such means shall constitute presence in person at the meeting including affirmation of such vote pledged either by voice or electronic means.
- Section 3.10 Quorum and Action by the Board. A majority of the whole number of Directors shall constitute a quorum for the transaction of business at all meetings of the Board of Directors, but, if at any meeting less than a quorum shall be present, a majority of those present may adjourn the meeting from time to time, and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by law or by Articles of Incorporation or by these bylaws.
- Section 3.11 Liability. No Director shall be liable for any debt, obligation or liability of the Corporation.

ARTICLE IV.

COMMITTEES

- Section 4.1 Committees. The standing committees of the Corporation shall be the Finance Committee, Operations Committee, External Affairs Committee and Board Development Committee. The Board of Directors shall delegate to each such standing committee the power, authority and responsibilities as set forth in these bylaws. The Board of Directors shall at all times be entitled to exercise any powers delegated to any standing committee by the Bylaws, and the action of the Board of Directors shall control. Additionally, the Chairman of the Board, President/CEO, or Committee Chairman may form other committees, task forces, and/or sub committees and appoint members to such committees, task forces, and/or sub committees to assist in such determined purpose and functions.

Section 4.2 Finance Committee.

- a. Composition. The Chairman of the Board shall serve as the Chairman for the Finance Committee and shall consist of: four (4) Elected members of the Board of Directors; and four (4) at-large members nominated by the Board Development Committee and approved by the Board of Directors.
- b. Duties. The role of the Finance Committee is primarily to provide financial oversight for the Corporation and shall serve as the Committee for Budget, Audit, Financial Reporting and Investments. Unless delegated, actions or approvals by said Committee shall be ratified by the Board of Directors.
- c. Meetings. Meetings may be called by its Chairman or the President/CEO on as need basis.

Section 4.3 Operations Committee.

- a. Composition. The Chairman-Elect of the Board shall serve as the Chairman of the Operations Committee and shall consist of: four (4) Elected members of the Board of Directors; and four (4) at-large members nominated by the Board Development Committee and approved by the Board of Directors.
- b. Duties. The role of the Operations Committee is to provide review, guidance and oversight for the overall operations of the Corporation and shall serve as the Committee for Mission and Vision, Program of Work of the Corporation, and Nominating of the Board of Directors and Leadership Council.
- c. Meetings. Meetings may be called by its Chairman or the President/CEO on as need basis.

Section 4.4 External Affairs Committee.

- a. Composition. The Immediate Past Chairman of the Board shall serve as the Chairman of the External Affairs Committee and shall consist of: four (4) Elected members of the Board of Directors; two (2) at-large members nominated by the Board Development Committee and approved by the Board of Directors; the President of the Lee County Board of Supervisors and Mayor of the City of Tupelo.
- b. Duties. The role of the External Affairs Committee is to manage the Corporations relations with external entities and serve as the liaison for the Lee County Council of Governments, Economic Development District, Leaders Council and others as these By-Laws or the Board of Directors may prescribe.
- c. Meetings. Meetings may be called by its Chairman or the President/CEO on as need basis.

Section 4.5 Board Development Committee.

- a. Composition. The Board Development Committee shall consist of the Chairman of the Board, Chairman-Elect, Immediate Past Chairman and President/CEO of the Corporation.
- b. Duties. The Board Development Committee shall be responsible for nominating an incoming Chairman-Elect; appointment of at-large members and board member appointments to the Finance, Operating, and External Affairs Committees; and nominees for officers of the Corporation. This Committee shall form a standing Compensation Committee, external and not a part of the Board Development Committee to review the employment and compensation of the President/CEO.

ARTICLE V.

LEADERSHIP COUNCIL

Section 5.1 Purpose. The Leadership Council serves as the Corporation’s insight, engagement, and community consensus building on current and/or certain community and economic development affairs.

Section 5.2 Composition. The Leadership Council shall consist of the following: the Board of Directors, not fewer than twenty-five (25) appointed at-large members nominated by the Operations Committee and approved by the Board of Directors for one (1) term, and the following appointed positions:

- Representative(s), U.S. Senators’ Office
- Representative, U.S. Mississippi 1st District Congressional Office
- Director, Appalachian Regional Commission
- Mayor, City of Tupelo
- President, Tupelo City Council
- Attorney, Lee County Board of Supervisors
- President, Itawamba Community College
- President, CREATE Foundation
- Chairman, Tupelo Furniture Market
- Chairman, Tupelo Regional Airport Authority
- Chairman, Council of Governments
- Director, Ole Miss-Tupelo
- Chairman, Coliseum Commission
- President, Community Relations Association
- Representative, Atmos Energy
- Representative, Tombigbee Electric Power Association
- Representative, Convention and Visitors Bureau
- Representative, Tennessee Valley Authority
- Superintendent, Tupelo Public School District
- Superintendent, Lee County Schools

Section 5.3 Meetings. The Leadership Council shall meet as necessary and appropriate to fulfill the responsibilities described above and no action by any member, director, or officer shall be binding upon, or constitute an expression of the policy of the Corporation until it has been approved or ratified by the Board of Directors.

ARTICLE VI.

OFFICERS

Section 6.1 Election and Tenure. The officers of the Corporation shall be a Chairman of the Board, Chairman-Elect, Immediate Past Chairman, President/CEO, Treasurer, Secretary and one or more assistants to the foregoing officers as the Board of Directors from time to time may consider necessary for the proper conduct of the business of the Corporation. The Board Development Committee shall, at the first meeting of the Board following the annual meeting of members, submit nominees for the officers of the Corporation. The Board shall then elect such officers to serve a term of one (1) year and until their successors shall have been elected and qualified. Any two or more of the above offices may be held by the same person. The President/CEO is an employee of the Corporation and shall not be elected as provided in this Section 6.1. The President/CEO may appoint staff officers of the Corporation.

Section 6.2 Chairman of the Board. The Chairman of the Board shall have those powers which usually pertain to that office and shall perform such other duties as are properly required of the Chair by the Board. The Chair shall preside at all meetings of members, the Board and the Board Development Committee and the Finance Committee. The Chair may sign and execute all authorized bonds, contracts, deeds, notes, deeds of trust or other obligations in the name of the Corporation.

Section 6.3 Chairman-Elect. The Chairman-Elect shall serve as the Chairman of the Board in his absence.

Section 6.4 President/CEO. The President shall be the Chief Executive Officer and shall have direct supervision and management of the affairs of the Corporation, subject to the direction of the Chair of the Board and of the Board of Directors. The President/CEO shall be in charge of the staff of the Corporation and shall be responsible for the employment or personnel, the compensation to be paid to such personnel, and the other terms and conditions of employment.

The President/CEO may sign and execute all authorized bonds, contracts, deeds, deeds of trust, notes, options or other obligations in the name of the Corporation. He shall have the general powers and duties of supervision and management usually vested in the office of President/CEO of a corporation. The President/CEO shall be responsible for management of Corporation owned real property to include any lease negotiations or maintenance issues. The President/CEO shall be authorized to approve and close any sale, purchase or loan transactions less than \$100,000. Approval by the President/CEO to close any sale, purchase or loan transactions greater than \$100,000, but less than two (2) percent of total assets shall require confirmation, by record, of the Chairman of the Board and/or Chairman-Elect. The President/CEO shall be ex-officio a member of all committees or sub committees. He shall do and perform such other duties as may, from time to time, be

assigned to him by the Board of Directors.

In the event that the Board of Directors does not take affirmative action to fill the office of the Chairman of the Board, the President/CEO shall assume and perform all powers and duties given to the Chairman of the Board by these bylaws.

The President/CEO may appoint Executive Vice President(s) to assist in the supervision and management of the affairs of the Corporation. The Executive Vice President(s) would have such powers and shall perform such other duties as may be assigned to him by the President/CEO including authority to sign and execute contracts, deeds, deeds of trust, notes, options, or other obligations in the name of the Corporation. In the absence or disability of the President/CEO, the duties of that office shall be performed by the Executive Vice President(s).

Section 6.5 Secretary/Treasurer. The President/CEO will serve or may appoint a Secretary/Treasurer of the Corporation. The Secretary/Treasurer shall perform the duties normally assigned to a corporate secretary including arranging for the keeping of minutes of each meeting of the members, Board, and appointed Committees.

The Secretary/Treasurer shall have general supervision over the financial affairs of the Corporation. The Secretary/Treasurer shall make such reports to the Board as the Board may request. The Secretary/Treasurer shall be directly responsible for the care and custody of all property of the Corporation and shall keep such books of account and records as the Secretary/Treasurer may request or as may be necessary to keep the Board accurately informed at all times of the financial affairs of the Corporation. The Secretary/Treasurer shall also perform such other duties as are properly assigned by the Board.

Section 6.6 Security. The Corporation shall, at its expense, carry such fidelity insurance on such officers and employees as may be determined by the Board.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 7.1 Third Party Actions. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, including all appeals (other than an action, suit, or proceeding by or in the right of the Corporation) by reason of the fact that he is or was a director, officer, or employee of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, officer, or employee of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, decrees, fines, penalties, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The

termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

- Section 7.2 Derivative Actions. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit, including all appeals, by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, or employee of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, officer, or employee of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been finally adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as such court shall deem proper.
- Section 7.3 Rights After Successful Defense. To the extent that a director, officer or employee has been successful on the merits or otherwise in defense of any action suit or proceeding referred to in Section 1 or 2 of this Article 7.3, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith.
- Section 7.4 Other Determination Rights. Except in as situation governed by Section 7.3, any indemnification under Section 7.1 or 7.2 (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer or employee is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 7.1 or 7.2. Such determination shall be made (a) by a majority vote of Directors acting at a meeting at which a quorum consisting of Directors who were not parties to such action, suit or proceeding is present, or (b) if such a quorum is not obtainable (or even if obtainable) and a majority of disinterested Directors so directs, by independent legal counsel (compensated by the Corporation) in a written opinion.
- Section 7.5 Advances of Expenses. Expenses of each person indemnified hereunder incurred in defending a civil, criminal, administrative, or investigative action, suit or proceeding (including all appeals), or threat thereof, may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Directors, whether a disinterested quorum exists or not, upon receipt of an undertaking by or on behalf of the Director, trustee, officer, or employee, to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation.

- Section 7.6 Nonexclusiveness; Heirs. The indemnification provided by this Article VII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled as a matter of law or under these bylaws, any agreement, any insurance purchased by the Corporation, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, trustee, officer, or employee and shall inure to the benefit to the heirs, executors, and administrators of such a person.
- Section 7.7 Purchase of Insurance. The Board may, in its discretion, authorize the Corporation to purchase and maintain insurance of any person who is or was a director, officer or employee of the Corporation, or is or was serving at the request of the Corporation as a director, officer or employee of another corporation, partnership, joint venture, or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of these bylaws or of the Mississippi Nonprofit Corporation Act.
- Section 7.8 Notice to Members. If any action with respect to indemnification of directors and officers is taken by way of payment of indemnification, amendment of these By-Laws, resolution of directors or by agreement, then the Corporation shall, not later than the next annual meeting of members, unless such meeting is held within three months from the date of such action, and, in any event, within fifteen months from the date of such action, give notice to its members of record at the time entitled to vote for the election of directors a statement specifying the action taken.
- Section 7.9 Severability. If this Article or any part hereof shall be held unenforceable in any respect by a court of competent jurisdiction, it shall be deemed modified to the minimum extent necessary to make it enforceable, and the remainder of this Article shall remain fully enforceable.

ARTICLE VIII

MISCELLANEOUS

- Section 8.1 Deposit of Funds. The funds of the Corporation shall be deposited in its name with such banks as the Board may from time to time designate. All checks, notes and other negotiable instruments of the Corporation shall be signed by such officer or officers, employee or employees as the Board or President/CEO may from time to time designate.
- Section 8.2 Fiscal Year. The fiscal year of the Corporation shall be the twelve months beginning May 1 unless otherwise determined by the Board.
- Section 8.3 Corporate Seal. The corporate seal of the Corporation shall be in such form as may be determined from time to time by the Board.
- Section 8.4 Number and Gender. Whenever in these Bylaws a singular word is used, it also shall include the plural whenever required by the context and vice-versa. All references to the masculine, feminine or neuter genders in these Bylaws shall include any other gender as the context requires.

ARTICLE IX

GOVERNING LAW

The Corporation is established under the laws of the State of Mississippi. These bylaws are adopted pursuant to the Mississippi Nonprofit Corporation Act and shall be construed in accordance with the laws of the State of Mississippi.

ARTICLE X

AMENDMENTS TO THE BY-LAWS

Subject to applicable law and the Articles of Incorporation, the power to make, alter, amend, or repeal all or any part of these Bylaws is vested in the Board of Directors. Provided, however the Board of Directors cannot amend any provision or provisions of these bylaws in a manner which would adversely affect the Corporation's exemption under Section 501 (c)(6) or the Internal Revenue Code or not in accordance with the Mississippi Non Profit Corporation Act, as now in force and later amended. The Corporation must provide notice to the directors of any meeting at which an amendment to these Bylaws is to be considered and voted upon. The affirmation vote of a majority of all directors then in office shall be necessary to effect any such change in the Bylaws.